

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2001-164-WS - ORDER NO. 2009-255

APRIL 15, 2009

IN RE: Application of Kiawah Island Utility, Inc. for	)	ORDER APPROVING
Approval of an Increase in Its Rates and	)	INCREASE DUE TO
Charges for Water and Sewer Service	)	INCREASE IN
	)	WHOLESALE RATES

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of Kiawah Island Utility, Inc. (Kiawah or the Company) for review and approval of an increase in the Company's rates for potable water to its customers as a result of an increase in the wholesale cost of potable water that Kiawah purchases from St. John's Water Company. The request is submitted pursuant to the procedures set forth in the document known as "Purchased Water Adjustment," which was approved by this Commission in Order Nos. 2002-285 and 2002-517. The purpose of the pass-through charges outlined in these documents was to allow a simple procedure for increasing the rates for potable water to the Company's customers in the identical amount of any increase in the wholesale rate charged to the Company by St. John's Water Company. The Commission last approved a similar request by Kiawah in its Order No. 2008-268.

By correspondence filed March 20, 2009, the Company is proposing to increase the rate for potable water to all classes of customers in the amount of \$.082 per thousand gallons, the identical amount of the increase in the Company's cost of wholesale potable

water imposed by St. John's Water Company. In support of this request, Kiawah enclosed a copy of a letter from Becky Dennis, General Manager of Kiawah, outlining the basis for the request, and including a table showing the current rates and the proposed new rates as well as the background correspondence from St. John's Water Company, documenting the increase in its cost of wholesale potable water. Kiawah states that it will furnish thirty (30) days prior written notice to its customers of the amount of the adjustment, the basis for it, and the adjustment's effective date. As advised in letter filed with the Commission April 2, 2009, the Office of Regulatory Staff (ORS) does not oppose the requested increase.

We have reviewed the proposal. Kiawah was not able to give this Commission sixty (60) days notice of the increase, due to the fact that it did not receive notification of the amount of the increase until January 20, 2009. Otherwise, Kiawah complied with the procedure for submitting rate increases due to increases in the wholesale cost of water. Accordingly, we approve the request as filed. Kiawah shall furnish thirty (30) days notice of the increase to its customers as Kiawah outlined in its request.

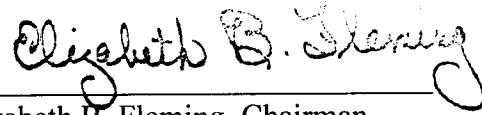
APRIL 15, 2009

PAGE 3

---

This Order shall remain in full force and effect until further Order of the Commission.

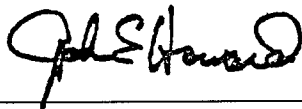
BY ORDER OF THE COMMISSION:



---

Elizabeth B. Fleming, Chairman

ATTEST:



---

John E. Howard, Vice Chairman

(SEAL)